

All markets had very quiet and sideways trading markets ahead of Wednesday’s USDA report. Even the commercial’s (hedgers) and the funds sat on the sidelines. In the soybean market traders were expecting very little change in the report but in the corn pits traders were calling for production and ending stocks to increase slightly. In the wheat pit traders were estimating that winter wheat acres would be decreased by 115 million while ending stocks should drop 6 million bushels. So what happened? Soybeans closed lower after the report was released. The key factor is the abundant stocks available around the globe as well as in the U. S. U. S ending stocks were decreased by 25 million bushels while world ending stocks rose by .23 million metric tons. The Quarterly stocks report showed December stocks at 2.305 billion bushels but that was in line with expectations. Because of slow cash sales there is some support but the large supplies of beans out there is enough to test any bullish fundamental. Corn also closed lower after the report was released. The production number of 11.807 billion bushels was above the average estimate of 11.753 billion and ending stocks jumped to 1.96 billion bushels from last months 1.844 billion. Global stocks also increased. Wheat had a mixed session after the report was released. Initially, some buying occurred after the USDA released its winter wheat seeding report showing fewer acres than were expected, however as the traders digested the U.S. and global stocks figure prices were driven lower. The commercials came in late in the day and bought up some contracts (nearby) and that supported the prices. In the wheat market, and in the short run, more rain is heading towards the Delta which might cause more damage to wheat and hence supporting prices but on the bear side the U.S. winter wheat crop is in great shape. Iraq may however be buying U.S. wheat before too long. In the soybean market the bullish news is that basis across the country is improving, but on the bear side the gulf basis seems to be declining – hence a mixed signal.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Mar05)	NEW (Dec05)	CASH (Jan05)	NEW(Nov05)	CASH(Mar05)	NEW(Jul05)
Western MD	+8	n/a	-55	n/a	+4	n/a
Central MD	+9	+9	-46	n/a	+30	+14
Southern MD	+11	-6	-41	-35	-30	-32
Upper E. Sh	+24	+7	-31	-25	n/a	-28
Lower E. Sh	+31	+16	-22	-6	-13	-27

THE CROP WEATHER WILL RESUME IN APRIL 2005

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	1/04/5	1/11/5	1/04/5	1/11/5	1/04/5	1/11/5	1/04/5	1/11/5
Western Md	2.17	2.09	4.88	4.99	2.98	3.03	1.83	1.83
Central MD	2.03	2.10	4.88	5.08	2.78	3.37	2.15	2.15
Southern MD	2.06	2.12	4.95	5.13	2.66	2.77	----	----
Upper E. Shore	2.19	2.25	5.05	5.23	----	----	----	----
Lower E. Shore	2.26	2.32	5.14	5.32	2.76	2.94	1.76	1.76
Soybean Meal		Lower Eastern Shore		Dealer's Average Cash quotes (\$/ton)				
Date	1/04/5	1/11/5	Date		1/04/5	1/11/5		
48% Soybean Meal		185.00	197.00	44% Soybean Meal		173.00	185.00	
FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer's Avg Quotes								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	1/04/5	1/11/5	1/04/5	1/11/5	1/04/5	1/11/5	1/04/5	1/11/5
Western Md	----	----	----	----	----	----	----	----
Central MD	2.43	2.42	5.18	5.27	2.95	3.08	----	----
Southern MD	2.23	2.27	5.13	5.27	2.80	2.90	1.65	1.65
Upper E Shore	2.36	2.40	5.23	5.37	2.84	2.94	1.65	1.65
Lower E Shore	2.45	2.49	5.32	5.46	2.85	2.95	1.65	1.65
GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Jan 11, 2005								
Corn		Soybeans		Wheat		Soybean Meal ¹		
05Mar	206.60	05Jan	557.40	05Mar	306.40	05Jan	167.00	
05May	214.40	05Mar	543.20	05May	314.00	05Mar	165.20	
05Jul	221.40	05May	546.40	05Jul	320.20	05May	166.10	
05Sep	228.20	05Jul	553.00	05Sep	326.40	05Jul	168.40	
05Dec	237.20	05Aug	555.00	05Dec	336.20	05Aug	169.80	
06Mar	244.20	05Sep	554.00	06Mar	344.40	05Sep	170.90	

¹ \$/ton

HAY AND STRAW															
New Holland, PA - \$/ton - Jan 10, 2005 - 156 Loads															
Alfalfa 25.00-160.00		Mixed Hay 40.00-210.00		Timothy 45.00-207.00		Ballage 25.00-35.00		Orchardgrass 60.00-195.00		Straw 50.00-200.00					
Westminster, MD - \$/bale - Jan 11, 2005 - 170 Lots															
Alfalfa 1.00-2.60		Alfalfa Mix 2.00-4.70		Timothy 1.10-3.80		Timothy Mix 1.00-2.90		Grass Mix 1.10-3.10		Straw 1.40-3.30		Mulch 1.00-1.65			
Southern, MD - Regional Farmers' Market - \$/bale -															
Product		Lo/Hi		Avg Price		Product		Lo/Hi		Avg Price		Next Sale 1/15/05			
POULTRY (Grade A) - Week Ending - Jan 15, 2005															
				Current Week		Week Ago		Month Ago		Year Ago					
NY Wtd Avg. (Fryers)				71.08		69.22		64.08		64.04					
12 City Composite				72.01		69.98		68.43		65.75					
LAMBS - Westminster, MD - \$/cwt - Jan 11, 2005															
50- 70 lbs		137.50-177.50		130 lbs & Up		117.50-127.50		Sheep							
80-110 lbs		109.00-157.50						All weights		52.50-105.00					
TERMINAL MARKETS HOGS - Jan 11, 2005						DIRECT MARKET HOGS - Westminster, MD - Jan 11, 2004									
Base Price Range (\$/cwt) a.m.		Carcass Basis Base 185 lb Hog		Sows (1-3) 300-449 lbs		Butcher Hogs		215-260 lbs		50.00-54.00					
						Sows				38.00-52.00					
Iowa, Minn		61.75-73.50		33.34-48.14											
Eastern Cornbelt		60.50-71.62		45.10-49.58		Millsboro, DE Market Hogs - (\$/cwt) - Next Sale Jan 18, 2005									
FEEDER PIGS - (\$/cwt) -															
Gumboro, DE -						New Holland, PA - Jan 14, 2005									
Head:		Trend:				Head:		Trend:							
		Next Sale Jan 18, 2005						NOT AVAILABLE							
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Jan 11, 2005						HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Jan 11, 2005									
Jan05		93.00		Apr05		90.00		Feb05		77.05		Jun05		78.55	
Feb05		91.88		Jun05		83.60		Apr05		77.70		Jul05		74.20	
Mar05		91.90		Aug05		81.73		May05		77.58		Aug05		71.00	
STOCKER-FEEDER CATTLE - (\$/cwt)															
Winchester, VA - Jan 10, 2005						Westminster, MD - Jan 11, 2005									
Steers		300-400 lbs		115.00-130.00		Steers (M&L)		200-300 lbs		86.00-118.00					
		400-500 lbs		108.00-119.50				400-500 lbs		81.00-110.00					
		500-600 lbs		106.00-115.00				700-900 lbs		64.00 -71.50					
		600-700 lbs		90.00-102.00		Heifers (M&L)		200-300 lbs		75.00-119.00					
		700-800 lbs		90.00- 93.00				400-500 lbs		73.00-105.00					
		800-900 lbs		88.00- 90.00				600-800 lbs		70.00- 95.00					
Heifers		300-400 lbs		109.00-120.00		Hols Bull Calves		90-100 lbs		100.00-167.50					
		400-500 lbs		94.00-112.00		Returned to farm		100-115 lbs		130.00-172.50					
		500-600 lbs		93.50-100.75				120 lbs		132.50-175.00					
		600-700 lbs		89.00- 96.00											
		700-800 lbs		78.00- 84.00											
Lancaster, New Holland & Vintage - Week Ending - Jan 14, 2005															
Bull, Holstein		NOT AVAILABLE				Plainer		NOT AVAILABLE							
Heifers, Hols						Plainer									
SLAUGHTER CATTLE (\$/cwt)															
Westminster, MD - Jan 11, 2005															
Fed Steers					Fed Heifers										
Most Ch		84.00-90.00			Ch		86.00-89.00								
Cows					L-Ch		78.50-86.00								
Best		55.25-61.50			Calves										
Breakers		50.00-55.00			Slaughter Calves		35.00-100.00								
Boners		40.00-50.00			Hol Heifers		395.00-440.00								
Thin & Slow		38.50-Down													
Lancaster, New Holland & Vintage - Week Ending - Jan 15, 2005															
Steers, Choice 2-3															
Heifers, Choice		NOT AVAILABLE													
Cows, Breakers 75-80 pct lean															
Bulls, YG 1															

For more information about this report, call 410-841-5740 or write:

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